

U.S. BANKRUPTCY COURT
District of South Carolina

Case Number: **24-02116-eg**

Rule to Show Cause

The relief set forth on the following pages, for a total of 3 pages including this page, is hereby ORDERED.

FILED BY THE COURT
10/01/2024



Entered: 10/01/2024

A handwritten signature in cursive script, appearing to read "Elisabetta G. M. Gasparini".

Elisabetta G. M. Gasparini
US Bankruptcy Judge
District of South Carolina

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA**

IN RE:

C/A No. 24-02116-EG

Sparc Foundry, LLC,

Chapter 7

Debtor(s).

**RULE TO SHOW CAUSE AS TO
WHY SANCTIONS SHOULD
NOT BE IMPOSED**

TAKE NOTICE THAT a hearing in the above-captioned case shall be held before the assigned judge **on October 22, 2024 at 2:00 PM at the J. Bratton Davis United States Bankruptcy Courthouse, 1100 Laurel Street, Columbia, SC 29201-2423** to consider the failure of Debtors' counsel, Lixiong Hao ("Hao"), and Jingrui Yu ("Yu") to comply with the Order on Motion for Protective Order (the "Rule 2004 Order") and Order to File Correspondence previously entered by this Court on September 16, 2024 (ECF No. 34) and September 25, 2024 (ECF No. 37).

The Rule 2004 Order required Debtor's counsel and counsel for Bitmain Technologies Georgia Limited ("Bitmain") to file with the Court joint correspondence on or before 5:00 PM on September 23, 2024, setting forth the stipulated date and time for the examination of Hao and Yu, who were designated by the Court as Debtors' representatives pursuant to Bankruptcy Rule 9001(5). The Order further provided that to the extent the parties were unable to stipulate as to a date and time for the examination, the correspondence should provide weekday dates for the remainder of September through October 15, 2024 when Hao and Yu would **not** be available to be examined in person in Columbia, South Carolina.

On September 23, 2024, Bitmain's counsel filed correspondence with the Court indicating that "Debtor's counsel has been unable to provide any proposed dates to Bitmain, which otherwise is prepared to accommodate the schedules of Messrs. Hao and Yu." On September 25, 2024, the Court entered the Order to File Correspondence, which provided that on or before 5:00 p.m. on September 26, 2024, "Hao and Yu, *through Debtor's counsel*, shall file correspondence with this Court indicating the weekday dates for the remainder of September through October 15, 2024 when they will **not** be available. Upon their failure to do so, sanctions may be imposed." (Emphasis added). The Order to File Correspondence further provided:

To the extent that Debtor's representatives fail to file the correspondence as requested herein or provide limited availability for the Rule 2004 examination in Columbia, South Carolina, the Court will schedule a hearing at which Debtor's representatives will be ordered to appear in person.

To date, neither Debtor's counsel nor Debtor's designated representatives have complied with the prior orders of this Court.

THEREFORE, IT IS HEREBY ORDERED that Richard R. Gleissner, as Debtor's attorney of record, as well as Hao and Yu shall appear at the date, time, and place set forth above to show cause as to why sanctions should not be entered against them in this matter due to their failure to comply with the Court's Order.

The Clerk's office is directed to serve a copy of this Rule to Show Cause on Debtor's Counsel, the Debtor, Bitmain's counsel, the Chapter 7 Trustee, and the United States Trustee. Debtor's counsel shall ensure that Hao and Yu receive notice of this Rule to Show Cause as the designated representatives of the Debtor.

AND IT IS SO ORDERED.

In re:
Sparc Foundry, LLC
Debtor

Case No. 24-02116-eg
Chapter 7

CERTIFICATE OF NOTICE

District/off: 0420-3
Date Rcvd: Oct 01, 2024

User: admin
Form ID: pdf01

Page 1 of 2
Total Noticed: 2

The following symbols are used throughout this certificate:

Symbol	Definition
+	Addresses marked '+' were corrected by inserting the ZIP, adding the last four digits to complete the zip +4, or replacing an incorrect ZIP. USPS regulations require that automation-compatible mail display the correct ZIP.

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Oct 03, 2024:

Recip ID	Recipient Name and Address
cr	+ Bitmain Technologies Georgia Limited, c/o Jody Bedenbaugh, Nelson Mullins Riley & Scarborough LLP, P.O. Box 11070, Columbia, SC 29211-1070

TOTAL: 1

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.

Electronic transmission includes sending notices via email (Email/text and Email/PDF), and electronic data interchange (EDI). Electronic transmission is in Eastern Standard Time.

Recip ID	Notice Type: Email Address	Date/Time	Recipient Name and Address
db	Email/PDF: lawrencehao123@gmail.com	Oct 01 2024 21:11:00	Sparc Foundry, LLC, 2600 Marlboro Way, Bennettsville, SC 29512

TOTAL: 1

BYPASSED RECIPIENTS

The following addresses were not sent this bankruptcy notice due to an undeliverable address, *duplicate of an address listed above, *P duplicate of a preferred address, or ## out of date forwarding orders with USPS.

NONE

NOTICE CERTIFICATION

I, Gustava Winters, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.

Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed .R. Bank. P.2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Oct 03, 2024 Signature: /s/Gustava Winters

CM/ECF NOTICE OF ELECTRONIC FILING

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on October 1, 2024 at the address(es) listed below:

Name	Email Address
Derek A. Johnson	on behalf of Creditor Minerset Holdings LLC derek@gulleyjohnson.com
Janet B. Haigler	jhaigler@haiglerlawfirm.com jhaigler@ecf.axosfs.com
Janet B. Haigler	on behalf of Trustee Janet B. Haigler jhaigler@haiglerlawfirm.com jhaigler@ecf.axosfs.com

District/off: 0420-3

User: admin

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Date Rcvd: Oct 01, 2024

Form ID: pdf01

Total Noticed: 2

Jason D Wyman

on behalf of Creditor Marlboro Electric Cooperative Inc. Jason.wyman@wbd-us.com, scfslit@wbd-us.com

Jody A. Bedenbaugh

on behalf of Creditor Bitmain Technologies Georgia Limited jody.bedenbaugh@nelsonmullins.com
linnea.hann@nelsonmullins.com; paul.collins@nelsonmullins.com; katura.simons@nelsonmullins.com

Michael H. Weaver

on behalf of Creditor Minerset Holdings LLC michael.weaver@rogerstownsends.com

Peter J. Haley

on behalf of Creditor Bitmain Technologies Georgia Limited peter.haley@nelsonmullins.com marie.moss@nelsonmullins.com

Richard R. Gleissner

on behalf of Debtor Sparc Foundry LLC rick@gleissnerlaw.com, anissa@gleissnerlaw.com

Robert P. Wood

on behalf of Creditor Minerset Holdings LLC robert.wood@rogerstownsends.com, WoodLitTeam@rtt-law.com

US Trustee's Office

USTPRegion04.CO.ECF@usdoj.gov

TOTAL: 10